

S t a t e o f N e b r a s k a

**Mid-Biennium
Budget Adjustments**

2011-2013 B i e n n i u m

Dave Heineman
Governor

Presented January 12, 2012

Mid-Biennium Budget Adjustments

2011 - 2013 Biennium

Presented by
Administrative Services – State Budget Division
Room 1320 State Capitol
Lincoln, Nebraska 68509
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Presented January 12, 2012



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Governor

STATE OF NEBRASKA

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January 12, 2012

Mr. President, Mr. Speaker,
and Members of the Legislature
State Capitol Building
Lincoln, NE 68509

Dear Mr. President and Members of the Legislature:

Today I am presenting my recommendations for specific mid-biennium adjustments to the 2011-2013 biennial budget and a major tax relief proposal to strengthen Nebraska's economic position.

The 2011 Legislative Session, the first session of the 102nd Legislature, provided us the opportunity to address important financial imperatives, prepare a sound biennial budget, and make important investments to support business innovation and workforce recruitment efforts in Nebraska. Our collaborative efforts continue to strengthen the financial position of State government and assist our business community in a manner that is improving Nebraska's economy. Nebraska is moving forward but there is still more work to do.

Since the 2011-2013 biennial budget was established, the State has collected \$145 million in General Fund tax receipts greater than estimated for fiscal year 2010-11 and tax receipts forecasts for the current 2011-2013 biennium have been increased by \$113 million. The State Cash Reserve Fund is estimated to end the 2011-2013 biennium with a \$414 million balance.

During the 2012 Legislative Session, I am recommending that we provide hard-working, middle class Nebraskans more than \$326 million in tax relief over the next three years.

First, I am recommending that we lower individual income tax rates and widen tax brackets so that Nebraskans have more discretionary income to take care of their families.

Second, I propose to lower the corporate income tax rate to match the new top individual rate to help small businesses grow.

Mr. President, Mr. Speaker,
and Members of the Legislature
January 12, 2012
Page 2

Third, we should repeal the inheritance tax. Nebraska eliminated the State estate tax in 2007. It is time to end this additional tax imposed upon the death of family members.

Our choice is crystal clear – tax relief for hard-working, middle class Nebraska families or more spending for special interest groups. I urge you to join me in making tax relief for middle class Nebraskans the focus of this legislative session.

My mid-biennium recommendations for budget adjustments for the 2011-2013 biennium include General Fund appropriation reductions of \$80 million and supplemental General Fund appropriations of \$51 million for a \$29 million current biennium net reduction in General Fund appropriations.

I again look forward to continuing to work closely with you on matters of importance to Nebraskans during the coming months.

Sincerely,

Dave Heineman
Governor

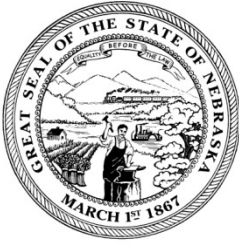


Table of Contents

General Fund Financial Status	2
Cash Reserve Fund Status	2
Mid-Biennium Budget Adjustments.....	5
Governor’s Middle Class Tax Relief Initiative	7
General Government	
Auditor of Public Accounts	9
Agriculture, Environment and Natural Resources	
Brand Committee	9
Environmental Quality, Department of	9
Ethanol Board	9
Economic Development	
Economic Development, Department of	10
Labor, Department of	10
Public Service Commission	10
Human Resources Development	
Education, Department of	10
Health and Human Services, Department of	12
Historical Society, State	14
Library Commission	15
Postsecondary Education, Coordinating Commission for	15
Veterans’ Affairs, Department of	16
Public Finance	
Administrative Services	16
Investment Council	16
Retirement Systems, Nebraska Public Employee’s	16
Revenue, Department of	17
Public Safety	
Correctional Services, Department of	17
Industrial Relations, Commission on	17
Law Enforcement and Criminal Justice, Nebraska Commission on	18
Military Department	18
Workers’ Compensation Court	18
Transportation	
Motor Vehicles, Department of	18
Summary of Mid-Biennium Budget Adjustments	19
2012 Session Mid-Biennium Budget Adjustments	21
Appendix	27
Administrative Services - State Budget Division Staff Listing	29



General Fund Financial Status Cash Reserve Fund Status

General Fund Financial Status

The General Fund Financial Status provides a summary of the State's financial condition including the impact of the Governor's 2011-2013 mid-biennium recommendations. While Nebraska operates with a biennial budget, the version of the Status shown in this document includes an additional two years of estimated revenues and appropriations for planning purposes.

The revenue portion of the Status shows the net General Fund tax receipts for the most recently completed fiscal year, the forecast for the two fiscal years of the 2011-2013 biennium as adopted by the Economic Forecasting Advisory Board at its October 2011 meeting, and the projection for the two fiscal years of the 2013-2015 biennium as presented to the Tax Rate Review Committee in November of 2011 by the Legislative Fiscal Office.

The Governor recommends specific tax reductions that will reduce tax revenue by \$326.6 million over the next three fiscal years. This legislation includes proposals to: 1) lower personal income tax rates and expand brackets, and, 2) lower corporate income tax rate to match the new lower top personal income tax rate. In 2007, Nebraska eliminated the estate tax. The Governor proposes that the Legislature now eliminate the inheritance tax.

The appropriations shown for the 2011-2013 biennium are those adopted during the 2011 regular legislative session and subsequently increased during the 2011 Special Session of the Legislature. The Governor's mid-biennium recommendations for the 2011-2013 biennium include General Fund appropriation reductions of \$80.2 million and supplemental General Fund appropriations of \$50.7 million for a net reduction in General Fund appropriations of \$29.5 million.

Structural balance is maintained for each year of the 2011-2013 biennium. The ending General Fund balance exceeds the statutory minimum requirement of three percent by over \$36 million.

The planning estimates for the following 2013-2015 biennium include the tax receipt projections presented to the Tax Rate Review Committee in November of 2011 by the Legislative Fiscal Office. These projections represent 3.6 percent annual growth in tax receipts necessary to maintain a five-year historical average growth of 5.0 percent. The nominal projected increase in tax receipts is 3.1 percent or 2.0 percent after adjusting for the Governor's Tax Relief Initiative.

The Governor recommends that planning estimates for General Fund appropriation increases in the following 2013-2015 biennium not exceed 2.8 percent.

Cash Reserve Fund Status

FY 2010-11 actual net General Fund tax receipts exceeded the FY 2010-11 certified forecast by \$145.1 million. That amount was automatically transferred by operation of state law to the separate Cash Reserve Fund in July 2011. In addition, the Economic Forecasting Advisory Board increased its estimate of net General Fund tax receipts for FY 2011-12 by \$51.9 million which is shown as an automatic transfer to the Cash Reserve Fund in FY 2012-13. The biennium ending Cash Reserve Fund balance is estimated to be \$413.8 million, about 5.5 percent of the biennial revenue forecast.

The Governor is not recommending additional transfers from the Cash Reserve Fund.

General Fund Financial Status

	Actual FY2010-11	Current Biennium FY2011-12 FY2012-13		Next Biennium FY2013-14 FY2014-15	
1 Beginning Balance					
2 Beginning Cash Balance	296,986,417	\$502,306,328	\$181,108,561	\$256,022,223	\$221,255,891
3 Cash Reserve Fund transfer-Automatic		(145,155,092)	(51,901,000)		
4 Carryover obligations from FY2010-11		(230,644,959)			
5 Allocation for potential deficits			(5,000,000)	(5,000,000)	(5,000,000)
6 Unobligated Beginning Balance	296,986,417	126,506,277	124,207,561	251,022,223	216,255,891
7 Revenues					
8 Net Receipts (Current-NEFAB; Next-LFO Hist. Avg.)	3,493,743,977	3,643,000,000	3,780,000,000	3,870,000,000	4,020,000,000
9 General Fund transfers - out	(120,725,000)	(144,600,000)	(113,300,000)	(118,800,000)	(118,800,000)
10 General Fund transfers - in	In Receipts	In Receipts	In Receipts		
11 Cash Reserve Fund transfers	154,000,000	37,000,000	68,000,000		
12 Governor's Tax Relief Initiative			(51,803,000)	(130,894,000)	(143,916,000)
13 General Fund Net Revenues	3,527,018,977	3,535,400,000	3,682,897,000	3,620,306,000	3,757,284,000
14 Appropriations					
15 Actual Expenditures/Appropriations (2011 Spec. Sess.)	3,321,699,066	3,470,531,929	3,590,831,179	3,590,831,179	3,590,831,179
16 2012 Claims Bill		542,738			
17 2012 Legislation			10,006		
18 Governor's Mid-Biennium Budget Adjustments		9,723,049	(39,758,847)	(39,758,847)	(39,758,847)
19 Spending Growth - Next Biennium				99,000,000	200,000,000
20 General Fund Appropriations	3,321,699,066	3,480,797,716	3,551,082,338	3,650,072,332	3,751,072,332
21 Ending Balance					
22 Dollar ending balance	502,306,328	181,108,561	256,022,223	221,255,891	222,467,559
23 Minimum Biennial Reserve Requirement	--	--	219,132,444	--	222,338,220
24 Variance from Minimum Reserve	--	--	36,889,779	--	129,339
25 Biennial Reserve (%)	--	--	3.5%	--	3.0%
26 Annual % Change - Appropriations (excl. deficits)	2.4%	2.2%	2.0%	2.8%	2.8%
27 Two Year Average	-1.1%	--	2.1%	--	2.8%
28 Annual % Change - Net Receipts (Nominal)	8.9%	4.3%	2.3%	0.3%	3.7%
29 Two Year Average	2.1%	--	3.3%	--	2.0%
30 Structural Receipts v. Approps.	51,319,911	17,602,284	63,814,662	(29,766,332)	6,211,668

Cash Reserve Fund Status

	Actual FY2010-11	Current Biennium FY2011-12 FY2012-13		Next Biennium FY2013-14 FY2014-15	
1 Beginning Balance	467,201,627	313,201,627	421,356,719	413,808,719	413,808,719
2 Transfer Amounts Above Forecasts		145,155,092	51,901,000		
3 To/From General Fund	(154,000,000)				
4 From Water Contingency Cash Fund			8,551,000		
5 To/From General Fund		(37,000,000)	(68,000,000)	0	0
6 To/From Ethanol Production Incentive Cash Fund		Net Zero During Biennium			
Ending Balance	313,201,627	421,356,719	413,808,719	413,808,719	413,808,719

Mid-Biennium Budget Adjustments



Summary of Governor's Recommendations

Governor's Middle Class Tax Relief Initiative

Governor Heineman's tax relief proposal is part of his comprehensive effort to cut taxes on middle class Nebraskans; lower the tax burden on all businesses; and repeal the inheritance tax. Specifically, the tax reduction proposal will:

- Lower income tax rates for Nebraska taxpayers;
- Widen tax brackets, so families have more income taxed at the new lower income tax rates;
- Lower the corporate income tax rate; and,
- Eliminate the inheritance tax. This, joined with the repeal of the estate tax in 2007, eliminates taxes upon the death of family members in Nebraska.

Governor Heineman's tax relief initiative ensures Nebraska remains competitive with other states, while providing meaningful tax relief for Nebraska families and businesses.

Individual Income Tax Relief

Tax rates are lowered for all Nebraska families. The proposal also broadens each income tax bracket. Overall, Nebraska individual income tax liability will decrease by 6%.

Current Individual Income Tax Rates and Brackets				
Bracket Number	Married, Filing Joint	Head of Household	Single Individuals	Tax Rate
1	\$0 - 4,800	\$0 - 4,500	\$0 - 2,400	2.56%
2	\$4,800 - 35,000	\$4,500 - 28,000	\$2,400 - 17,500	3.57%
3	\$35,000 - 54,000	\$28,000 - 40,000	\$17,500 - 27,000	5.12%
4	Over \$54,000	Over \$40,000	Over \$27,000	6.84%

Proposed Individual Income Tax Brackets & Rates				
Bracket Number	Married, Filing Joint	Head of Household	Single Individuals	Tax Rate
1	\$0 - 6,000	\$0 - 5,600	\$0 - 3,000	2.42%
2	\$6,000 - 36,500	\$5,600 - 29,200	\$3,000 - 18,250	3.40%
3	\$36,500 - 60,000	\$29,200 - 44,500	\$18,250 - 30,000	4.90%
4	Over \$60,000	Over \$44,500	Over \$30,000	6.70%

Tax Cut Examples at Various AGI Levels: Married, Filing Jointly and Two Children				
Federal AGI	Current Tax Liability	Proposed Tax Liability	Change in Liability	Percent Change
\$30,000	\$142	\$100	(\$42)	-29.58%
\$40,000	\$473	\$416	(\$57)	-12.05%
\$50,000	\$913	\$813	(\$100)	-10.95%
\$75,000	\$2,343	\$2,088	(\$255)	-10.88%
\$100,000	\$4,038	\$3,748	(\$290)	-7.18%
\$150,000	\$7,453	\$7,093	(\$360)	-4.83%
\$250,000	\$13,526	\$13,061	(\$465)	-3.44%
\$1,000,000	\$57,160	\$55,980	(\$1,180)	-2.06%

Tax Cut Examples at Various AGI Levels: Head of Household and Two Children				
Federal AGI	Current Tax Liability	Proposed Tax Liability	Change in Liability	Percent Change
\$30,000	\$371	\$325	(\$46)	-12.40%
\$40,000	\$786	\$703	(\$83)	-10.56%
\$50,000	\$1,302	\$1,176	(\$126)	-9.68%
\$75,000	\$3,093	\$2,872	(\$221)	-7.15%
\$100,000	\$4,767	\$4,512	(\$255)	-5.35%
\$150,000	\$8,035	\$7,713	(\$322)	-4.01%
\$250,000	\$15,197	\$14,747	(\$450)	-2.96%
\$1,000,000	\$65,603	\$64,253	(\$1,350)	-2.06%

Corporate Income Tax Relief

The proposal will lower the corporate income tax rate for income over \$100,000 from 7.81% to 6.70% (the top individual rate under the proposal). The tax rate for income at or below \$100,000 would remain 5.58%. This change will reduce small business income tax liability by 13.1%.

Inheritance Tax

The proposal will repeal the inheritance tax, which is imposed by the counties. The repeal of the inheritance tax does not impact the General Fund. In 2007, Nebraska repealed the estate tax.

General Fund Revenue Impact

The impact on the General Fund is estimated to be as follows:

Fiscal Year	Individual Income Tax	Corporate Income Tax	Total
FY2011-12	0	0	0
FY2012-13	(45,343,000)	(6,460,000)	(51,803,000)
FY2013-14	(111,270,000)	(19,624,000)	(130,894,000)
FY2014-15	(117,086,000)	(26,830,000)	(143,916,000)

General Government

Auditor of Public Accounts

The Auditor of Public Accounts requested \$30,000 cash fund authority in FY 2011-12 and FY 2012-13 for additional contracts for conducting county governmental audits. This includes a request of \$21,600 for Personal Service Limitation (PSL) authority in FY 2011-12 and FY 2012-13 for a .60 FTE Auditor-intern to back-fill for an auditor currently assigned to audit reviews who would be reassigned to the additional county audits.

The Governor's recommendation does not include this additional appropriations and PSL authority.

Agriculture, Environment and Natural Resources

Brand Committee

The Brand Committee requested additional cash fund appropriation in FY 2011-12 of \$88,000 due to a \$0.045 increase in the mileage reimbursement rate.

The Governor's recommendation includes a cash fund appropriation increase of \$36,624 which recognizes the July 1, 2011 increase in the mileage reimbursement rate from \$0.51 per mile to \$0.555 per mile and applies that rate increase to the FY 2011-12 total mileage budget established by the Brand Committee.

Environmental Quality, Department of

The Department requested additional cash fund appropriation in FY 2012-13 of \$106,582 and Personal Service Limitation of \$41,186 for an expected increase in situ uranium mining activity in northwest Nebraska. This appropriation will be used to provide one additional staff person to conduct oversight activities in a timely manner. Cameco currently operates one facility in Crow Butte and is taking steps to expand to three locations. In situ uranium mining involves the drilling of bore holes into the deposit, dissolving the ore and bringing the uranium to the surface.

The Governor's recommendation includes the agency request for an increase in cash fund appropriation of \$106,582 and Personal Service Limitation of \$41,186 in FY 2012-13.

Ethanol Board

The Governor's recommendation includes changes to fund transfer language to harmonize statutes providing for the close-out of the Ethanol Production Incentive Cash Fund (EPIC).

The ethanol production credits provided by the EPIC Fund to producers must be earned by June 30, 2012 and claimed by September 30, 2012. It is expected that the remaining eligible facilities will meet ethanol production requirements and file claims prior to June 30, 2012 thus ending the outflow of funds from EPIC related to ethanol production incentives. Further activity in EPIC will then be related to reimbursing the Cash Reserve Fund up to \$12,000,000 for transfers made from the Cash Reserve Fund to EPIC for cash flow purposes. By changing the General Fund transfer language in Laws 2011, LB 378, Section 14 to allow transfers up to a total of \$3,800,000 to occur on or before December 31, 2012, the actual need for funds in EPIC to reimburse the Cash Reserve Fund can be met in a more exact manner.

Economic Development

Department of Economic Development and the Department of Labor Merger

The Governor is proposing legislation to merge the Department of Labor into the Department of Economic Development. This combined agency will focus resources on industries that keep Nebraska competitive and will better integrate workforce development and job creation efforts.

An initial savings of \$137,312 is projected due to the elimination of one director position. Additional savings realized as the two organizations are combined and efficiencies are identified will be included as part of the 2013-2015 biennial budget recommendations.

Public Service Commission

The commission requests additional General Fund appropriation, cash fund appropriation and Personal Service Limitation (PSL) for the Major Oil Pipeline Siting (MOPS) Act enacted during the 2011 Special Session. The commission requests \$10,225 in General Fund appropriation and \$9,474 in PSL for FY 2011-12 for costs related to adoption of rules and regulations necessary to implement the MOPS Act. The commission requests \$541,687 in cash fund appropriation and \$24,864 in PSL for FY 2011-12 and \$542,643 in cash fund appropriation and \$25,361 in PSL for FY 2012-13 to review one application each year for a major oil pipeline seeking to route a pipeline in the state of Nebraska.

The Governor's recommendation includes the commission's requests for General Fund appropriation, cash fund appropriation and PSL.

The commission requests cash fund appropriation of \$51,792 and PSL of \$30,468 for FY 2012-13 for an additional Administrative Assistant in the Nebraska Telephone Assistance Program (NTAP). This program provides credits to low-income individuals who seek help in obtaining and keeping telephone service. The addition of an Administrative Assistant will help the agency to process these requests in a timelier manner.

The Governor's recommendation includes the commission's requests for cash fund appropriation and PSL.

Human Resources Development

Education, Department of

The Department requested additional cash fund appropriation of \$11,818 for FY 2011-12 and \$19,605 for FY 2012-13, and additional Personal Service Limitation (PSL) authority of \$7,454 for FY 2011-12 and \$14,154 for FY 2012-13, to transfer personnel costs to the Education Innovation Cash Fund.

The Governor's recommendation includes the agency request and also makes the corresponding reduction in General Fund appropriation and PSL authority by the same amount in the Department's administration program, where these personnel costs are currently funded.

The Department requested additional cash fund appropriation of \$1,316 for FY 2011-12 to correct an error in the last distribution of High Ability Learners Aid.

The Governor's recommendation does not include additional funding to address the error and anticipates a post-year correction funded with the existing FY 2012-13 cash fund appropriation.

The Department requested additional cash fund appropriation of \$400,000 for FY 2011-12 and \$400,000 for FY 2012-13 to adjust for anticipated increase in private donations and registration fees to the Early Childhood Training Center Cash Fund.

The Governor's recommendation includes the additional \$400,000 in cash fund appropriation for FY 2011-12 and FY 2012-13.

The Department requested General Fund appropriation of \$50,000 for FY 2011-12 and \$50,000 for FY 2012-13 to contract for services related to the evaluation of poverty and English proficiency plans.

The Governor's recommendation does not include this request for additional appropriations.

The Department requested additional Personal Service Limitation (PSL) authority of \$124,132 for FY 2011-12 for planned retirement payouts.

This program already has \$11.8 million PSL authority and is able to manage retirement payouts. The Governor's recommendation does not include this additional PSL authority.

The Department requested additional cash fund appropriation of \$212,958 for FY 2011-12 and \$212,958 for FY 2012-13 to make aid payments from the School District Reorganization Fund.

The Governor's recommendation includes the additional cash fund appropriation of \$212,958 for FY 2011-12 and \$212,958 for FY 2012-13.

The Department requested additional cash fund appropriation of \$747,046 for FY 2011-12 and \$500,000 for FY 2012-13 to increase the state share of Vocational Rehabilitation Services expenditures and qualify for additional federal match dollars.

The Governor's recommendation includes the additional cash fund appropriation of \$747,046 for FY 2011-12 and \$500,000 for FY 2012-13.

The Department requested additional revolving fund appropriation of \$50,000 for FY 2011-12 and \$50,000 for FY 2012-13 to allow for internal billing of automation usage within the Department.

The Governor's recommendation includes the additional revolving fund appropriation of \$50,000 for FY 2011-12 and \$50,000 for FY 2012-13.

The Department requested additional Personal Service Limitation (PSL) authority of \$990 for FY 2011-12 to allow for the salary increase provided to the Clerk of the Professional Practices Commission.

The Governor's recommendation includes additional PSL authority.

As required by Sec. 79-1031 R.R.S. 2008, the Commissioner of Education issued a letter on November 10, 2011 estimating that it will require \$814 million in General Fund aid for K-12 public schools under the Tax Equity and Educational Opportunities Support Act (TEEOSA) for FY 2012-13. This amount is \$50.7 million less than estimated when appropriations for FY 2012-13 were enacted during the 2011 Legislative Session. The Governor's recommendation reflects this forecast revision for FY 2012-13 TEEOSA school aid.

TEEOSA School Aid Estimates

	FY2011-12 <i>Certified</i>	FY2012-13 <i>Sine Die 2011 Est</i>	FY2012-13
Sine Die Report (June 2010)			
State Support			
General Fund	804,689,087	864,654,919	
Insurance Premium Tax	17,151,812	15,000,000	
Total State Support	821,840,899	879,654,919	
State Support Annual Change	11,906,339	57,814,020	
State Support Annual % Change	1.5%	7.0%	
Revised Estimate (November, 15 2011)	<i>Certified</i>	<i>November 15, 2011 Estimate</i>	<i>Governor's Recommendation</i>
State Support			
General Fund	804,689,087	814,000,000	814,000,000
Insurance Premium Tax	17,151,812	15,000,000	15,000,000
Total State Support	821,840,899	829,000,000	829,000,000
State Support Annual Change	11,906,339	7,159,101	7,159,101
State Support Annual % Change	1.5%	0.9%	0.9%

Note: The Education Jobs Fund (Public Law 111-126) granted approximately \$60 million in federal funds to Nebraska public schools through the TEEOSA state aid formula for the 2010-11 school year through the 2011-12 school year.

Health and Human Services, Department of (DHHS)

The Federal Medical Assistance Percentage (FMAP) is being reduced from 56.64 to 55.76 percent, effective October 1, 2012. The enhanced FMAP that applies to the Children's Health Insurance Program (CHIP) is being reduced from 69.65 to 69.03 percent. This reduction in federal matching funds for Medicaid will require an additional \$12,429,338 in General Funds for the Department of Health and Human Services for the affected nine months of state FY 2012-13.

The Governor's recommendation includes the \$12,429,338 increase in General Funds and the corresponding decrease in federal funds for FY 2012-13.

The Department requested \$225,000 General Funds and \$159,318 Personal Service Limitation (PSL) for FY 2011-12 as well as \$905,000 General Funds and \$640,821 PSL for FY 2012-13 to hire additional staff for the youth rehabilitation treatment centers at Kearney and Geneva. The additional staff was requested to provide a safer environment for both the youth residing at the facilities as well as the staff working at the two facilities.

The Governor's recommendation includes the additional funding for increased staff at the youth rehabilitation treatment centers at Kearney and Geneva. The Governor is also proposing legislation to transfer the management and operation of the two centers from the Department of Health and Human Services to the Department of Correctional Services.

The Department requested \$2,630,843 General Funds for FY 2012-13 to replace federal Child Support Incentive dollars that prior to October 1, 2010 had been used as state matching funds to generate additional federal dollars in the Child Support Program. The ability to use the incentive funds in this manner ended October 1, 2010 due to federal legislative action. DHHS is spending down the incentive fund balance. Incentive funds will no longer be available to supplement the Child Support

Program after FY 2011-12. The General Funds requested are needed to continue the Child Support Program at the current level.

The Governor's recommendation includes the requested \$2,630,843 General Funds for FY 2012-13.

The Department requested \$222,030 General Funds, \$222,029 federal funds, and \$309,837 Personal Service Limitation (PSL) for FY 2011-12 in order to retain Social Services Workers to assist with ACCESSNebraska caseload increases resulting from the downturn in the economy. Funding the request would allow the department to continue to finance up to forty Social Services Worker positions through the end of FY 2011-12 that otherwise would be eliminated to meet previously adopted budget actions.

The Governor's recommendation includes \$222,030 General Funds, \$222,029 federal funds, and \$309,837 PSL requested for FY 2011-12 to retain staff to address ACCESSNebraska caseloads.

The Department requested \$96,512 cash fund authority be reduced from Public Health Administration and added to Professional Licensure for both FY 2011-12 and FY 2012-13. This is a technical change needed to match program budgets with legislative intent during the 2011 session.

The Governor's recommendation includes the \$96,512 cash fund authority changes in the two respective programs for FY 2011-12 and FY 2012-13.

The Department identified a \$12,000,000 General Fund shortfall in FY 2011-12 and FY 2012-13 in the Child Care program resulting from growth experienced in previous years that no longer can be managed within current appropriation levels. The agency anticipated that it may be possible to offset the \$12,000,000 with \$3,000,000 of program savings in other areas within Public Assistance and requested a net increase of \$9,000,000 to be directed toward the Child Care shortfall.

The Governor's recommendation includes financing the Child Care shortfall at the \$12,000,000 General Fund level for FY 2011-12 and FY 2012-13 as identified by the Department as the budget shortfall in the Child Care Program.

The Department requested that \$550,000 Nebraska Capital Construction Fund (NCCF) authority be moved up from FY 2012-13 to FY 2011-12 to accommodate contractor work schedules in building the three housing units being constructed for the Bridges Program. The request does not result in an overall increase in project funding, but allows for completion of the project in a more efficient manner.

The Governor's recommendation includes the transfer of the \$550,000 NCCF appropriation from FY 2012-13 to FY 2011-12.

The Governor's recommendation includes \$127,580 General Funds, \$127,580 federal funds, and \$160,795 Personal Service Limitation (PSL) for FY 2012-13 for an additional disability service specialist position as well as four additional service coordinators in the Developmental Disabilities Division of the Department of Health and Human Services. The addition of the disability service specialist would allow for timely identification and referral to service coordination for Children and Family Services intakes that may be eligible for services through the Division of Developmental Disabilities, potentially avoiding the situation where a child has to enter state custody in order to access services. The intent for this select population would be to get cases closed to avoid prolonged court involvement and to obtain permanency and normalcy in a more efficient and effective manner.

The Governor proposes to finance the state share of the FY 2012-13 \$127,580 cost for the additional staff in the Developmental Disabilities Division through a reallocation of resources from the Developmental Disabilities Aid Program.

The Governor's recommendation includes making changes in the Medicaid program consistent with items 1 through 6 contained in the December 1, 2011 Department of Health and Human Services report to the Legislature concerning ongoing Medicaid reform efforts as provided in Sec. 68-909 R.R.S. 2009. The Governor recommends implementing changes to copays as outlined in the report, including

implementation of a \$50 copay on nonemergency emergency room visits and instituting copays for managed care clients. The Governor recommends limiting home health services, personal assistance services, and behavioral health services. The Governor also proposes to eliminate private duty nursing services and oral nutritional supplements from being covered under the state's medical assistance program.

The Governor recommends FY 2012-13 appropriation reductions to Medicaid of \$3,382,913 General Funds and \$4,302,032 federal funds, as well as FY 2012-13 appropriation reductions of \$8,319 General Funds and \$18,681 federal funds in the Children's Health Insurance Program (CHIP) to reflect the savings from implementing the proposed changes to the Medicaid and CHIP programs.

The Governor's recommendation includes a \$1,000,000 General Fund and a \$2,330,003 federal fund reduction for FY 2011-12, along with a \$1,000,000 General Fund and a \$2,245,699 federal fund reduction for FY 2012-13 for the Children's Health Insurance Program (CHIP) based on year-to-date analysis of program funding requirements.

The Governor's recommendation includes a \$5,000,000 General Fund and a \$6,652,296 federal fund reduction for FY 2011-12, along with a \$5,000,000 General Fund and a \$6,358,473 federal fund reduction for FY 2012-13 for the Medicaid program based on year-to-date analysis of program funding requirements.

The Governor's recommendation includes a \$1,400,000 General Fund and a \$1,800,000 federal fund reduction for FY 2012-13 for the Beatrice State Developmental Center (BSDC) based on the expectation that the census at the facility will continue to decline.

The Governor's recommendation includes General Fund reductions of \$1,000,000 for each of FY 2011-12 and FY 2012-13 for the sex offender program operated at Norfolk. When the program was created with the passage of LB 1199 in 2006, the facility budget was based on operating a 120 bed facility. The census has stabilized at a number closer to 70 than 120. The Governor recommends rebasing the program budget based on current as well as projected census.

The Governor's recommendation includes a \$500,000 General Fund reduction and a \$500,000 federal fund increase in each of FY 2011-12 and FY 2012-13 for the veterans' homes. The availability of additional federal funds allows for the reduction of General Fund support without reducing the overall operating budgets of the four veterans' homes.

The Governor's recommendation includes the transfer of \$2,271,755 General Fund and \$2,271,775 federal fund appropriations from the Department administration program to Public Assistance for FY 2012-13. This transfer of appropriation authority allows for the child welfare case management function to remain with the private contractors. The Personal Service Limitation (PSL) for FY 2012-13 was already reduced by the Legislature during the 2011 Legislative Session to reflect this change.

Historical Society, State

The agency requested additional General Fund appropriation of \$23,773 for FY 2011-12 and \$26,481 for FY 2012-13 to fund the lease rate increases for archival storage space and seven photocopiers issued by the Department of Administrative Services after the 2011-13 biennial budget requests were finalized.

The Governor's recommendation includes the additional General Fund appropriation of \$23,773 for FY 2011-12 and \$26,481 for FY 2012-13.

The agency requested additional General Fund appropriation of \$30,239 for FY 2011-12 and \$30,239 for FY 2012-13 to fund utility rate increases experienced since the 2011-13 biennial budget requests were finalized.

The Governor's recommendation includes the additional General Fund appropriation of \$30,239 for FY 2011-12 and \$30,239 for FY 2012-13.

The agency requested additional cash fund appropriation of \$45,000 for FY 2011-12 and \$45,000 for FY 2012-13, and additional General Fund appropriation of \$5,000 for FY 2011-12 and \$5,000 for FY 2012-13, to meet match requirements for accessing previously delayed funding for the repair of roadside historical markers.

The Governor's recommendation includes additional cash fund appropriation of \$45,000 for FY 2011-12 and \$45,000 for FY 2012-13, and additional General Fund appropriation of \$5,000 for FY 2011-12 and \$5,000 for FY 2012-13.

Library Commission

The Commission requested additional General Fund appropriation of \$4,900 for FY 2011-12 and \$19,600 for FY 2012-13 to offset the loss of federal funds to provide literature resources for the blind and visually impaired.

The Governor's recommendation does not include the Commission request to offset the loss of federal funds.

The Commission requested additional General Fund appropriation of \$88,138 for FY 2011-12 and \$88,138 for FY 2012-13 to reinstate recent funding reductions to state aid to libraries.

The Governor's recommendation does not include the Commission request to reinstate budget reductions.

Postsecondary Education, Coordinating Commission for

The Commission requested \$5,465 cash funds for FY 2011-12 and FY 2012-13 to allow the agency to expend revenues *primarily associated* with additional application fees collected from out-of-state institutions of higher education seeking to offer courses or programs in Nebraska, and to offset the cost of the review process.

The Governor's recommendation includes the requested \$5,465 cash funds for FY 2011-12 and FY 2012-13.

The Commission requested \$31,900 in General Funds for FY 2011-12 for software, hardware and licenses to automate the Access College Early program, and \$3,324 in FY 2012-13 for ongoing annual maintenance costs.

The Governor's recommendation does not include the Commission request for additional funds for technology hardware and software.

The Commission requested \$60,534 in General Funds and \$38,500 in Personal Service Limitation authority for FY 2011-12 and FY 2012-13 to provide funding necessary to reinstate the data analyst position eliminated following budget reductions made in the 2011 Legislative Session.

The Governor's recommendation does not fund the Commission request to reinstate this budget reduction.

The Commission requested \$9,500 in General Funds for FY 2011-12 and FY 2012-13 to restore funding reductions made in recent legislative sessions that are indirectly related to the annual dues paid to the Midwestern Higher Education Compact (MHEC).

The Governor's recommendation does not fund the Commission request to reinstate this budget reduction.

The Commission requested \$25,875 in General Funds and \$17,260 in Personal Service Limitation authority for FY 2011-12 and FY 2012-13 to restore the executive assistant position to full-time status as it was prior to funding reductions made in the 2011 Legislative Session.

The Governor's recommendation does not fund the Commission request to reinstate this budget reduction.

Veterans' Affairs, Department of

The Department requested additional Personal Service Limitation (PSL) of \$36,800 for FY 2011-12 to allow for the payout of benefits to an agency employee that is planning to retire during the fiscal year.

The Governor's recommendation includes the requested one-time adjustment in PSL authority.

Public Finance

Administrative Services

The Governor's recommendation includes expanding the purpose of the Health and Life Benefit Administration Cash Fund to include the administration of activities and the receiving of gifts, donations, grants or bequests for multi-cultural or diversity education, training and events.

The agency requests to transfer \$96,666.37 from the State Insurance Fund to the Road Operations Cash Fund. The agency requests this transfer to correct an error in Laws 2011, LB 585, Section 2, Tort Claim Number 2009-03422.

The Governor's recommendation includes this agency request.

Investment Council

The Governor's recommendation includes the elimination of obsolete language related to commission recapture.

Retirement Systems, Nebraska Public Employee's

Administration – The agency requests a cash fund appropriation increase of \$135,915 for FY 2011-12 and \$29,440 for FY 2012-13. This request is for disaster recovery costs, Office of Chief Information Officer (OCIO) maintenance and support costs, the transfer of file servers to the OCIO server farm, and an upgrade to the WebSphere software.

The Governor's recommendation includes the agency requested increase in cash fund appropriations for FY 2011-12 and FY 2012-13.

Defined Benefit Plans Estimated Unfunded Liability – The Retirement System's consulting actuary has estimated additional contributions are required for the School Employee Plan and the Nebraska State Patrol Plan. The changes are as follows:

School Employee Plan – The consulting actuary determined an additional contribution amount of \$23,465,817 for the School Employee Plan for FY 2012-13. Laws 2011, LB 382, already increased employee contribution by .6% in 2011 and an additional .9% in 2012. This increase in contribution, with the additional contributions provided by the school district match of 101% of this additional employee contribution, will generate sufficient contributions to the plan and therefore no further additional state contribution is needed.

The Governor's recommendation does not include any further additional contribution than already provided by the Legislature for FY 2012-13.

State Patrol Plan – The consulting actuary determined an additional contribution amount of \$2,255,430 for the State Patrol Plan for FY 2012-13. This amount is less than the amount enacted under Laws 2011, LB 374, for the State Patrol Plan by \$183,907.

The Governor's recommendation includes a reduction in General Fund appropriation by \$183,907 for FY 2012-13.

School Employee's Retirement Plan Match – The agency requests additional General Fund appropriation of \$549,351 for FY 2012-13 to finance the State's 1% match of salary under the School Employees Retirement System and the Class V School Employees Retirement plan; and the Class V Service Annuity.

The Governor's recommendation includes a General Fund increase of \$545,315 in FY 2012-13 based upon information provided in the consulting actuary 2011 valuation reports.

Revenue, Department of

The Department has indicated that the homestead exemption tax loss experienced by local political subdivisions to be reimbursed by the State is \$4,200,000 less than currently appropriated for FY 2011-12 and is now estimated to be \$5,200,000 less than was previously estimated for FY 2012-13.

The Governor's recommendation includes a \$4,200,000 General Fund reduction in FY 2011-12 to reflect the actual tax loss certifications received from county treasurers.

The Governor also recommends reducing the FY 2012-13 appropriation by \$5,200,000 based on the Department's revised estimate.

Public Safety

Correctional Services, Department of

The Governor is proposing legislation to transfer the management and operational responsibilities of the Youth Rehabilitation Treatment Centers (YRTC's) in Geneva and Kearney from the Department of Health and Human Services (DHHS) to the Department of Correctional Services (DCS). This change will reallocate appropriations from DHHS to DCS and is cost neutral.

Industrial Relations, Commission on

The agency requested \$76,214 General Funds in each of FY 2011-12 and FY 2012-13 for increased commissioner per diems, increased travel expense, and increased legal expense associated with the implementation of public sector labor relations dispute resolution reform adopted with the passage of LB 397 in 2011. The agency also requested \$2,168 General Funds in FY 2011-12 and \$4,263 General Funds in FY 2012-13 for the agency share of increased health insurance premium costs for agency staff.

The Governor's recommendation includes \$18,600 General Funds for FY 2011-12 and \$18,600 General Funds for FY 2012-13 to finance increased costs associated with the passage of LB 397. The Governor's recommendation is consistent with the results of the Legislature's LB 397 fiscal impact analysis.

Law Enforcement and Criminal Justice, Nebraska Commission on

The agency requests authorization to utilize 5% of their Crime Victims Reparations Program federal grant funds for administrative purposes. The agency budget request for the 2011-2013 biennium identified the total amount of the anticipated Crime Victims Reparations grant amounts at \$128,400 for both FY 2011-12 and FY 2012-13, but failed to identify any of these amounts for administrative costs.

The Governor's recommendation includes providing changes to earmark language to allow \$6,420 in federal fund appropriation for this program to be used for operations in both FY 2011-12 and FY 2012-13.

Military Department

In 2011 the Legislature enacted a supplemental General Fund appropriation in the amount of \$5,860,000 for obligations related to federal disaster declarations identified through calendar 2011, plus an additional \$5,000,000 General Funds to the Governor's Emergency Program, as a reserve against future disaster obligations, in order to allow Nebraska Emergency Management Agency the ability to respond in a timely manner to assist political subdivisions in their efforts to address these circumstances.

Subsequent to this appropriation, the agency currently has 20 active state and federal disaster declarations and two pending federal disaster requests. The Federal Emergency Management Agency estimates that there is at least \$18.1 million in state recovery costs remaining, but not yet obligated, from the current open disasters. Based upon current FEMA disaster cost estimates, there exists a \$3.9 million shortfall in the Governor's Emergency Program, a consequence of the past year's flooding disasters within the state.

The Governor recommends an \$8.9 million supplemental General Fund appropriation for FY 2011-12 to finance current and estimated emergency fund obligations and to restore the \$5 million reserve amount established by the Legislature during the 2011 Legislative Session.

Workers' Compensation Court

The maximum wage level subject to the FICA tax increases from \$106,800 in FY 2010-11 to \$114,900 in FY 2011-12 and to \$119,400 in FY 2012-13. The agency erroneously omitted the resulting increases in total FICA expense for the Workers' Compensation Court Judges' salary program in their budget request for the 2011-2013 biennium.

The Governor's recommendation includes a supplemental cash fund appropriation of \$3,515 for FY 2011-12 and of \$5,468 for FY 2012-13 for the Judges' salary program to accommodate these increased costs.

Transportation

Motor Vehicles, Department of

The Department requested \$64,574 cash funds and \$43,053 Personal Service Limitation (PSL) authority in FY 2012-13 for a Commercial Driver License (CDL) manager position and associated operating costs for the purpose of overseeing the CDL program. This additional staff is being requested to address the increased amount and complexity of federal regulations regarding commercial driver licensing.

The Governor's recommendation includes the \$64,574 cash funds and \$43,053 PSL authority in FY 2012-13.

Summary of Mid-Biennium Budget Adjustments

2012 Session Mid-Biennium Budget Adjustments

Agency/Program	Issue Name	Fund	Type	FY2011-12 Request	FY2012-13 Request	FY2011-12 Governor	FY2012-13 Governor
010 STATE AUDITOR							
525 COOPERATIVE AUDITS							
	Additional contracts to conduct county audits	Cash	Oper	30,000	30,000	0	0
		PSL	PSL	21,600	21,600	0	0
013 EDUCATION							
025 EDUCATION ADMINISTRATION							
	Transfer costs from Education Admin. to Education Innovation	General	Oper	N/A	N/A	(11,818)	(19,605)
		PSL	PSL	N/A	N/A	(7,454)	(14,154)
	Increase Early Childhood Training Center spending authority	Cash	Oper	400,000	400,000	400,000	400,000
	Restore funding to contract for Poverty/Limited English services	General	Oper	50,000	50,000	0	0
	Personal Service Limitation (PSL) increase for retirement payout	PSL	PSL	124,132	0	0	0
	Rename program to "Data, Research, Evaluation, and Information Technology"	General	Oper	N/A	N/A	Yes	Yes
	Increased internal revolving fund assessments	Revolving	Oper	50,000	50,000	50,000	50,000
158 EDUCATION AID							
	Increase appropriation to make Reorganization Incentive payments	Cash	Aid	212,958	212,958	212,958	212,958
	Revised TEEOSA School Aid estimate	General	Aid	N/A	N/A	0	(50,654,919)
161 EDUCATION INNOVATION							
	Transfer costs from Education Admin. To Education Innovation	Cash	Oper	11,818	19,605	11,818	19,605
		PSL	PSL	7,454	14,154	7,454	14,154
	Additional appropriation for High Ability Learners payment error	Cash	Aid	1,316	0	0	0
351 VOCATIONAL REHABILITATION							
	Increase cash appropriation to match available federal funds	Cash	Oper	747,046	500,000	747,046	500,000
614 PROFESSIONAL PRACTICES COMM.							
	Personal Service Limitation (PSL) increase	PSL	PSL	990	0	990	0

2012 Session Mid-Biennium Budget Adjustments

Agency/Program	Issue Name	Fund	Type	FY2011-12 Request	FY2012-13 Request	FY2011-12 Governor	FY2012-13 Governor
014 PUBLIC SERVICE COMM.							
686 UNIVERSAL SERVICE FUND							
	Addition of one administrative assistant for NE Telephone Assistance Prog.	Cash	Oper	0	51,792	0	51,792
		PSL	PSL	0	30,468	0	30,468
792 MAJOR OIL PIPELINE SITING							
	Major Oil Pipeline Siting Act - new application	Cash	Oper	541,687	542,643	541,687	542,643
		PSL	PSL	24,864	25,361	24,864	25,361
	Major Oil Pipeline Siting Act - rules and regulations	General	Oper	10,225	0	10,225	0
		PSL	PSL	9,474	0	9,474	0
016 REVENUE							
108 HOMESTEAD EXEMPTION							
	Adjust Homestead Exemption based on tax loss certifications	General	Aid	(4,200,000)	(5,200,000)	(4,200,000)	(5,200,000)
024 MOTOR VEHICLES							
070 ENF OF STDS - MOTOR VEHICLES							
	Addition of a Commercial Driver License Manager position	Cash	Oper	0	64,574	0	64,574
		PSL	PSL	0	43,053	0	43,053
025 HEALTH AND HUMAN SERVICES							
033 ADMINISTRATION							
	Child Support Incentive Federal Match Change	General	Oper	0	2,630,843	0	2,630,843
	Economic Assistance caseload increases (ACCESS NEBRASKA)	General	Oper	222,030	0	222,030	0
		Federal	Oper	222,029	0	222,029	0
		PSL	PSL	309,837	0	309,837	0
	Continue to privatize case management	General	Oper	N/A	N/A	0	(2,271,775)
		Federal	Oper	N/A	N/A	0	(2,271,775)
	Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Oper	0	103,746	0	103,746
		Federal	Oper	0	(103,746)	0	(103,746)
	Targeted developmental disability service coordination	General	Oper	N/A	N/A	0	127,580
		Federal	Oper	N/A	N/A	0	127,580
		PSL	Oper	N/A	N/A	0	160,795
038 BEHAVIORAL HEALTH AID							
	Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Aid	0	181,196	0	181,196

2012 Session Mid-Biennium Budget Adjustments

Agency/Program		Issue Name	Fund	Type	FY2011-12 Request	FY2012-13 Request	FY2011-12 Governor	FY2012-13 Governor
025-								
HHS	178	PROFESSIONAL LICENSURE						
		Public Health - Adjustment to Appropriation	Cash	Oper	96,512	96,512	96,512	96,512
	179	PUBLIC HEALTH						
		Public Health - Adjustment to Appropriation	Cash	Oper	(96,512)	(96,512)	(96,512)	(96,512)
	250	JUVENILE SERVICES						
		Increased Youth Rehabilitation Treatment Center staffing	General	Oper	225,000	905,000	225,000	905,000
			PSL	PSL	159,318	640,821	159,318	640,821
	344	CHILDRENS HEALTH INSURANCE						
		Revised program cost estimate	General	Aid	N/A	N/A	(1,000,000)	(1,000,000)
			Federal	Aid	N/A	N/A	(2,330,003)	(2,245,699)
		Institute/increase copays for certain services; eliminate certain services	General	Aid	N/A	N/A	0	(8,319)
			Federal	Aid	N/A	N/A	0	(18,681)
		Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Aid	0	297,950	0	297,950
			Federal	Aid	0	(297,950)	0	(297,950)
	347	PUBLIC ASSISTANCE						
		Child Care Assistance	General	Aid	9,000,000	9,000,000	12,000,000	12,000,000
		Continue to privatize case management	General	Aid	N/A	N/A	0	2,271,775
			Federal	Aid	N/A	N/A	0	2,271,775
		Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Aid	0	395,987	0	395,987
			Federal	Aid	0	(395,987)	0	(395,987)
	348	MEDICAL ASSISTANCE						
		Revised program cost estimate	General	Aid	N/A	N/A	(5,000,000)	(5,000,000)
			Federal	Aid	N/A	N/A	(6,652,296)	(6,358,473)
		Institute/increase copays for certain services; eliminate certain services	General	Aid	N/A	N/A	0	(3,382,913)
			Federal	Aid	N/A	N/A	0	(4,302,032)
		Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Aid	0	9,671,447	0	9,671,447
			Federal	Aid	0	(11,326,582)	0	(11,326,582)

2012 Session Mid-Biennium Budget Adjustments

Agency/Program		Issue Name	Fund	Type	FY2011-12 Request	FY2012-13 Request	FY2011-12 Governor	FY2012-13 Governor
025-								
HHS								
365	MENTAL HEALTH							
		Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Oper	0	28,632	0	28,632
			Federal	Oper	0	(28,632)	0	(28,632)
421	BEATRICE STATE DEV CTR							
		Revised program cost estimate	General	Oper	N/A	N/A	0	(1,400,000)
			Federal	Oper	N/A	N/A	0	(1,800,000)
		Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Oper	0	276,441	0	276,441
			Federal	Oper	0	(276,441)	0	(276,441)
424	DEVELOPMENTAL DISABILITY AID							
		Reduced 2013 Federal Medical Assistance Percentage (FMAP)	General	Aid	0	1,473,939	0	1,473,939
		Transfer to targeted developmental disability service coordination	General	Aid	N/A	N/A	0	(127,580)
519	VETERANS' HOMES							
		Revised program cost estimate	General	Oper	N/A	N/A	(500,000)	(500,000)
			Federal	Oper	N/A	N/A	500,000	500,000
870	NORFOLK SEX OFFENDER TREATMENT							
		Revised program cost estimate	General	Oper	N/A	N/A	(1,000,000)	(1,000,000)
902	BRIDGES PROGRAM RELOCATION							
		Bridges Program funding timing adjustment	NCCF	Const	550,000	(550,000)	550,000	(550,000)
028 VETERANS' AFFAIRS								
036	DEPARTMENT ADMINISTRATION							
		Increase Personal Service Limitation (PSL) for retirement payout	PSL	PSL	36,800	0	36,800	0
031 MILITARY								
192	GOV EMERGENCY PROGRAM							
		Emergency Fund declarations and restoration of reserve	General	Aid	8,900,000	0	8,900,000	0

2012 Session Mid-Biennium Budget Adjustments

Agency/Program	Issue Name	Fund	Type	FY2011-12 Request	FY2012-13 Request	FY2011-12 Governor	FY2012-13 Governor
034 LIBRARY COMMISSION							
252 LIBRARY OPERATIONS							
	Additional Digital Talking Book supplies	General	Oper	4,900	19,600	0	0
302 LIBRARY DEVELOPMENT							
	Additional state aid to libraries	General	Aid	88,138	88,138	0	0
037 WORKERS COMPENSATION COURT							
526 JUDGES SALARIES							
	Correct FICA tax amounts	Cash	Oper	3,515	5,468	3,515	5,468
039 BRAND COMMITTEE							
075 NEBRASKA BRAND COMMITTEE							
	Personal vehicle mileage reimbursement rate increase	Cash	Oper	88,000	0	36,624	0
048 POSTSECONDARY EDUC. COORD. COMM.							
640 POSTSECONDARY EDUCATION							
	Increase in cash fund spending authority	Cash	Oper	5,465	5,465	5,465	5,465
	Request for automation of Access College Early/Access Plus	General	Oper	31,900	3,324	0	0
	Request reinstatement of Data Analyst position	General	Oper	60,534	60,534	0	0
		PSL	PSL	38,500	38,500	0	0
	Restoration of operating funds	General	Oper	9,500	9,500	0	0
	Restore Executive Assistant to full-time position	General	Oper	25,875	25,875	0	0
		PSL	PSL	17,260	17,260	0	0
054 HISTORICAL SOCIETY							
648 STATE HISTORICAL SOCIETY							
	Copy machine replacement and rate increase	General	Oper	10,233	10,233	10,233	10,233
	Leased space rate increase	General	Oper	13,540	16,248	13,540	16,248
	Historical marker repair	General	Oper	5,000	5,000	5,000	5,000
		Cash	Oper	45,000	45,000	45,000	45,000
	Utilities increase	General	Oper	30,239	30,239	30,239	30,239
060 ETHANOL BOARD							
534 ETHANOL BOARD							
	Harmonize timing of General Fund transfers to EPIC Fund	General	Oper	N/A	N/A	Yes	Yes
065 ADMINISTRATIVE SERVICES							
567 STATE PERSONNEL							
	Authorize additional use of the Health and Life Benefit Admin. Cash Fund	Cash	Oper	N/A	N/A	Yes	Yes

2012 Session Mid-Biennium Budget Adjustments

Agency/Program	Issue Name	Fund	Type	FY2011-12 Request	FY2012-13 Request	FY2011-12 Governor	FY2012-13 Governor
075 INVESTMENT COUNCIL							
610 INVESTMENTS ADMIN.	Eliminate obsolete language related to Commission Recapture	Cash	Oper	N/A	N/A	Yes	Yes
077 INDUSTRIAL RELATIONS COMM.							
490 COMMISSIONER EXPENSES	Additional Commissioner per diems	General	Oper	47,126	47,126	18,600	18,600
		PSL	PSL	43,865	43,865	18,600	18,600
	Additional Commissioner travel expenses	General	Oper	4,752	4,752	0	0
531 ADMINISTRATION	Employee health insurance cost increases	General	Oper	2,168	4,263	0	0
	Additional legal services	General	Oper	24,336	24,336	0	0
078 CRIME COMMISSION							
202 CRIME VICTIMS REPARATIONS	Modify federal funds earmark	Federal	Aid	(6,420)	(6,420)	(6,420)	(6,420)
		Federal	Oper	6,420	6,420	6,420	6,420
084 ENVIRONMENTAL QUALITY							
513 ADMINISTRATION	Increase staffing for uranium mining oversight	Cash	Oper	0	106,582	0	106,582
		PSL	PSL	0	41,186	0	41,186
085 RETIREMENT SYSTEM							
041 RETIREMENT/DEFERRED COMP ADM	Information technology disaster recovery costs	Cash	Oper	3,000	0	3,000	0
	OCIO support maintenance cost increase	Cash	Oper	19,550	19,550	19,550	19,550
	Transfer technology infrastructure to OCIO	Cash	Oper	27,140	9,890	27,140	9,890
	WebSphere 7.0 software upgrade	Cash	Oper	86,225	0	86,225	0
515 PUBLIC EMPLOYEES RETIREMENT	Omaha School 1% of salary	General	Aid	0	(41,556)	0	(168,000)
	Omaha Service Annuity	General	Aid	0	9,017	0	9,017
	School Plan 1% of salary	General	Aid	0	581,890	0	704,298
	School Plan actuarially required contribution	General	Aid	0	23,465,817	0	0
	State Patrol Plan actuarially required contribution	General	Aid	0	(183,907)	0	(183,907)
STATEWIDE TOTALS		General		14,565,496	43,995,610	9,723,049	(39,758,847)
		Cash		2,222,720	2,013,527	2,140,028	1,983,527
		NCCF		550,000	(550,000)	550,000	(550,000)
		Federal		222,029	(12,429,338)	(8,260,270)	(26,526,643)
		Revolving		50,000	50,000	50,000	50,000
		Total		17,610,245	33,079,799	4,202,807	(64,801,963)
		PSL		794,094	916,268	559,883	960,284

Appendix



Administrative Services – State Budget Division Staff Listing

Gerry A. Oligmueller, State Budget Administrator

Budget Analysts and Their Agency Assignments

Gary Bush – Administrative Services, AS-OCIO, AS-Capitol Commission, Department of Banking, Board of Barber Examiners, Board of Examiners Abstracters, Department of Economic Development, Board of Geologists, Employees Retirement Board, Engineers & Architects, Department of Insurance, Investment Council, Department of Labor, Land Surveyors, Landscape Architects, Liquor Control Commission, Board of Public Accountancy, Public Service Commission, Real Estate Commission, Real Property Appraiser Board

Matthew Eash – Arts Council, Blind and Visually Impaired, Deaf and Hard of Hearing, Department of Education, Nebraska Historical Society, Indian Commission, Library Commission, Mexican American Commission, TEEOSA K-12 School Aid

Lyn Heaton, Deputy Budget Administrator – Department of Revenue, State Treasurer, Tax Equalization and Review

Elton Larson – Foster Care Review Board, Department of Health & Human Services, Industrial Relations, Veterans' Affairs

Cindy Miserez – Brand Committee, Nebraska Energy Office, Department of Environmental Quality, Ethanol Board, Game and Parks Commission, Department of Natural Resources, Oil and Gas Commission, Power Review Board, Racing Commission

William Scheideler – State College System, Community Colleges, Educational Lands and Funds, Educational Telecommunications Commission, Postsecondary Education, University System

Dave Spatz – Accountability & Disclosure Commission, Department of Aeronautics, Department of Agriculture, Auditor of Public Accounts, Corn Board, Nebraska Dairy Industry Development Board, Dry Bean Commission, State Fair Board, Governor's Office, Grain Sorghum Board, Legislative Council, Lieutenant Governor's Office, Department of Motor Vehicles, Motor Vehicle Licensing Board, Department of Roads, Secretary of State, Nebraska Wheat Board

Joe Wilcox – Attorney General, Department of Correctional Services, Crime Commission, Electrical Board, Equal Opportunity Commission, State Fire Marshal, Military Department, Board of Pardons/Parole, State Patrol, Commission on Public Advocacy, Supreme Court, Workers' Compensation

Support Staff

Betty Hladky, Business Manager

